

## **EXHIBIT B**

### **PROCEDURES AND REQUIREMENTS**

#### **LOCAL ENFORCEMENT AGENCY GRANTS**

**EA 15 LEA Grant Cycle – 2004-2005**

### **DRAFT**

The Public Resources Code Section 43230 mandates the administration of grants to local enforcement agencies to carry out their solid waste facilities permit and inspection program. These Procedures and Requirements, which are incorporated by reference into the Grant Agreement as Exhibit B, describe the instructions for obtaining payment of the grant, the reporting requirements, and the fiscal control procedures to be followed in implementing the Local Enforcement Agency (LEA) Grants.

The Grantee will receive a base grant of \$15,000 plus an additional amount based on the population of the jurisdiction served by the Grantee and the number of active, permitted solid waste facilities located within the jurisdiction.

#### **Payment to Grantee**

As provided for in the Terms and Conditions (Exhibit A), the California Integrated Waste Management Board (CIWMB) may advance up to ninety percent (90%) of the grant funds to the Grantee. The remaining ten percent (10%) shall be reimbursed to the Grantee upon satisfactory completion of the Grant Agreement.

To be considered for the ninety percent (90%) advance payment, the Grantee must return the Grant Agreement and a completed Grant Payment Request form (CIWMB 87). This form can be found at <http://www.ciwmb.ca.gov/Grants/Forms/>

The delegated signature authority, as authorized in the resolution, or his/her designee, must sign the Grant Agreement and Grant Payment Request form.

Payment will be made only to the Grantee. It is the responsibility of the Grantee to pay all contractors and subcontractors for purchased goods and services.

Upon receipt of advanced grant funds, the Grantee shall deposit and maintain until expended all grant funds in an interest-bearing account within a fully insured financial institution. Grantee shall maintain a separate accounting system for the grant funds including the earned interest. Any earned interest must be tracked for reporting purposes as discussed in the INTEREST section below.

Grant funds must be used for eligible costs as described in the Eligible Costs section below and must be spent in the following order:

1. Advance payment
2. Reimbursement payment [(ten percent [10%] withhold)]
3. Interest earned

## Costs

**Eligible Costs.** All costs must be directly related to the implementation of the solid waste facilities permit and inspection programs as set forth in the approved projected budget report. Costs must be reasonable and cost-effective. Eligible costs include staffing, training, education, and travel within the State, consulting services, and purchase of equipment or materials.

Personnel expenditures must be computed on the actual time spent on grant related activities. For calculating total personnel expenses for each employee, the expenditures should be broken out by the classification(s) of the employee(s), the hourly wage, fringe benefits rate, and number of hours worked on grant-related activities. These records must be available for audit purposes.

Travel and per diem reimbursement is limited to a maximum of the State rate as described in the *California State Administrative Manual*. Please consult the Grant Manager for guidance.

**Changes to Proposed Budget:** Grantee is not required to receive pre-approval for changes to the approved budget unless and until the total amount of all changes equals \$5000 or 10% of the grant amount, whichever is less. The Grantee must notify the Grant Manager within thirty days after any such changed expenditure is made.

The Grantee must obtain written pre-approval from the Grant Manager for all changes to the approved budget once the cumulative amount of changes equals \$5000 or 10% of the grant amount, whichever is less. Please retain all approvals in your grant file for audit purposes.

**Ineligible Costs.** Any costs not directly related to the implementation of the facilities permit and inspection programs as set forth in the approved proposed budget are ineligible. Ineligible costs include, but are not limited, to the following:

- Costs incurred prior to or after the grant term dates
- Costs currently covered by another CIWMB loan, grant or contract
- Purchasing or leasing of vehicles for non-governmental entities
- Overtime costs (except for government agency staffing during evening or weekend events when law or labor contract requires overtime compensation)
- Out-of-state travel (exceptions will be handled on a case-by-case basis)
- Any food or beverages (e.g., as part of meetings, workshops, training, or events)
- Any costs that are not consistent with local, state, and federal guidelines and regulations
- Overhead and indirect costs
- Cleanup of illegal dumping
- Landfill operations
- Any costs incurred while not working on the solid waste program (e.g., use of earned personnel time such as sick leave, vacation, etc.)
- Any pre-paid expenditures for future goods or services delivered beyond the end of the grant term. (Exemption): The Grant Manager may consider approving products purchased in full before the end of the grant term but delivered after the grant term if the delay is caused solely by the supplier and not the Grantee. The Grantee must request an exemption in writing and receive written approval from the Grant Manager.)
- Any other costs not deemed reasonable or related to the purpose of the grant by the Grant Manager

**All expenditures are subject to audit, please contact the LEA Grant Manager if you have any questions concerning eligible costs.**

## **REPORTING REQUIREMENTS**

Failure to comply with these reporting requirements may result in termination of this Grant Agreement, or suspension of any or all-outstanding Payment Requests and may jeopardize future grant awards.

### **FINAL ACCOUNTING/ANNUAL REPORT**

The Grantee shall submit a final accounting to the CIWMB for the term of the Grant Agreement. The report shall include detailed expenditure information that enables the CIWMB and auditors to determine the specific uses of all grant funds. See the RECORDS AND AUDIT REQUIREMENTS section below and the AUDIT/RECORD ACCESS section in Exhibit A (Terms and Conditions) for additional information.

### **REPORTING TIMETABLE**

<b>Grant</b>	<b>Grant Term</b>	<b>Annual Report Due Date</b>
EA15	July 1, 2004 to June 30, 2005	October 28, 2005

### **INTEREST**

- All interest accrued and received from this account shall be used only for eligible expenses related to the performance of this Agreement
- Interest earned may not be spent until the full grant award has been expended. The earned interest must be reported in the final accounting. If no interest was accrued during the fiscal cycle, a written explanation must be submitted. All unused interest funds must be returned to the CIWMB at the end of the grant term.

## **REQUEST FOR FINAL PAYMENT**

Upon approval of the final accounting, the Grantee is eligible to submit the final Payment Request for the remaining ten percent (10%). This request may be submitted with the final accounting. This form can be found at: <http://www.ciwmb.ca.gov/Grants/Forms/>.

## **RECORDS AND AUDIT REQUIREMENTS**

As more fully described in the attached Terms and Conditions "Audit/Records Access" provision, this grant is subject to a desk or field audit. The Grantee must retain all financial and grant program documents including, but not limited to, statistical records, supporting documents, source documents, expenditure ledgers, payroll register entries, time sheets, paid warrants, contracts, change orders, invoices, and canceled checks that substantiate the expenditures claimed. These must be available at the time of an audit.

If an audit reveals that the CIWMB funds are not being expended, or have not been expended in accordance with this Agreement, in addition to any other rights of the CIWMB, the Grantee may be required to forfeit the unexpended portion of the funds, and repay the CIWMB for any improperly expended monies. Additionally, future grant awards to the Grantee may be jeopardized.

### **EXCEPTIONS**

Exceptions to these Procedures and Requirements must be requested and approved in writing. The request will be reviewed and a determination made by the Grant Manager as quickly as possible, usually within ten (10) working days. Unless otherwise specified, send all reports, payment requests, and other correspondence to the Grant Manager's attention at:

California Integrated Waste Management Board  
LEA Support Services/LEA Grant Program  
1001 "I" Street,  
P.O. Box 4025  
Sacramento, CA 95812-4025

### **COMMUNICATIONS**

All communications should be sent in accordance with the "Communications" provision of Exhibit A (Terms and Conditions) and, unless otherwise specified, shall be sent to the Grant Manager at the following address:

Via standard mail: California Integrated Waste Management Board  
Elaine Novak  
Permitting and Enforcement Division  
LEA Support Services/LEA Grant Program  
P.O. Box 4025 MS – 17  
Sacramento CA 95812-4025

Via courier/personal delivery: California Integrated Waste Management Board  
Elaine Novak  
Permitting and Enforcement Division  
LEA Support Services/LEA Grant Program  
1001 I Street  
Sacramento, CA 95812

Via FAX: (916) 319-7145  
Via E-mail: enovak@ciwmb.ca.gov